

(Washington, DC) - Congressman Wally Herger today expressed deep concern with the House Budget Committee's proposed 2008 budget, unveiled today and expected to receive consideration next week. The budget establishes overall spending and taxation levels for the next five years. It would not extend the important tax relief passed since 2001, which is set to expire in 2010. Absent extension, taxes will return to previous levels, resulting in the largest tax increase in American history. The budget also increases spending by \$23 billion just this year, and fails to address the unsustainable growth in entitlement spending. Herger made the following comment regarding his concerns with this budget blueprint:

"The new congressional majority's budget would result in an unprecedented tax hike on the American people," Herger stated. "Among other tax increases, the marriage penalty would return, and the child tax credit would decrease. Rather than recognizing that lowering taxes on American families and businesses spurs economic activity and job creation--leading to surging tax revenues to the federal treasury--leaders in the House have wasted no time in using their new majority status to raise taxes back to their previous levels. These tax increases would be devastating to the American people, and could undercut our nation's economy."

"I am also deeply concerned that this budget blueprint does not address the looming fiscal crisis caused by the out-of-control and unsustainable growth in entitlement spending," continued Herger. "This spending is on auto-pilot and consumes more and more of the federal budget each passing year. I believe it is incredibly irresponsible for the majority to have criticized the President and others who put forth a responsible Social Security reform proposal last year, and yet now that they have an opportunity to offer a constructive solution, they have chosen to ignore the problem and allow it to get worse. As a member of the Republican Study Committee, a group of over 110 House members committed to fiscal responsibility, I strongly believe Congress must confront this profound challenge promptly and responsibly and not simply place this massive financial burden on the shoulders of future generations."

Herger concluded, "The reality is that we can balance the budget by extending pro-growth tax policies, reducing wasteful spending, and enacting reasonable and responsible entitlement reforms. Unfortunately, the budget resolution that the House will soon consider does not embrace these principles."